forthwith or within such time and subject to such conditions as may be specified in the order. Reserve Bank has also issued instructions to its Regional Offices to forward complaints from the depositors to the concerned Regional Bench of the CLB. Further, Nodal Officers have been appointed in Reserve Bank who would be responsible to initiate proceedings against NBFCs who fail to comply with orders made by CLB under Section 4SQA. The provisions of Section 45QA are also applicable to deposits accepted by Residual Non-Banking Companies (RNBCs).

(e) and (f) The Company Law Board has already initiated action against those NBFCs in respect of whom complaints have been received by them.

Proposal for Single Divisible Pool for Central Taxes

1427. SHRIMATI URMILABEN CHIMNBHAI PATEL:
SHRI ANANTRAY DEV-SHANKER DAVE:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that in pursuance of the recommendations made by the Tenth Finance Commission, Government is proposing to bring a Constitution Amendment Bill for creating a single divisible pool for Central taxes in which the States will have 29% share;

(b) if so, the details thereof;

(c) whether Goverrnment have sought the opinions of the State Governments in this regard;

(d) if so, the details of their reaction thereon; and

(e) the decision taken by Government on the recommendations?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) Yes Sir.

(b) to (e) On the basis of a consensus reached in the Third Meeting of the Inter-State Council held on July 17, 1997, the Government has accepted with a slight modification the recommendations of the Tenth Finance Commission to create a single divisible pool for almost all Central Taxes with 29% share devolving on the States.

The required Constitution Amendment Bill is likely to be introduced in the current Budget Session.

Anticipated International Opposition to Nuclear Tests

1428. SHRIMATI URMILABEN CHIMANBHAI PATEL: Will the Minister of FINANCE be pleased to state:

(a) as regards the nuclear tests on 11th and 13th May, 1998 whether Government anticipated international opposition to the Nuclear tests;

(b) whether Government did take into account the total impact of the international sanctions as result of the tests;

(c) Government's strategy to meet the challenges arising out of these sanctions;

(d) Government's strategy to continue programmes likely to be affected by the international sanctions; and

(e) Government's strategy on self reliance to counter international sanctions?

THE MINISTER OF FINANCE (SHRI'YASHWANT SINHA): (a) The international reactions have, by and large, been along expected lines. Government have noted these reactions and have taken all steps necessary to explain abroad the rationale underlying the decision to authorise these tests which were aimed at reassuring the Indian people that Government would attach the highest priority to addressing India's security concerns.

(b) It is pherhaps a bit early to assess the total impact of the sanctions. However, sanctions with regard to foreign aid are expected, in most cases, to apply to new commitments, there would be only a marginal effect on the aid flows in the current year, if any.

(c) to (e) Since sanction will mainly apply to new aid commitments, continuing programmes will mostly remain unaffected. However, in conformity with the current policy of the Government, various measures have been initiated to encourage other private captital flows including foreign direct investment and investment by NRIs/OCBs.

The Union Budget, 1998-99 emphasized the need to make India strong and self-reliant and proposed measures to strengthen the foundations of the Indian economy to deal effectively with an inherently uncertain external environment. These include strengthening of the rural, agricultural, and small scale sector; accelerated development of infrastructure sector; special attention to social sector; export revival, and reduced reliance on borrowed funds; ensuring macro-economic stability and control over inflation; raise the rate of domestic savings and supplement it with foreign investment; eliminating bureaucratic hurdles and enhancing productivity.

Assistance to various projects by financial institutions

1429. SHRI E. BALANANDAN: Will the Minister of FINANCE be pleased to state whether Indian Financial Institutions including IDBI have assisted various projects in the States during Seventh Plan and Eighth Plan periods; if so, the details thereof; State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): The Industrial Development Bank of India (IDBI) has reported that financial institutions including IDBI have extended financial assistance to various projects in different States of the country during the Seventh and the Eighth Plan periods. The details of assistance sanctioned and disbursed, state-wise, by all financial institutions during said plan periods arc given in Annexure. *[See* Appendix 184, Annexure No. 46]

Farmers under income-tax net

1430. SHRI E. BALANANDAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government arc considering to bring tfhc farmers into the Income tax net;

(b) if so, by when; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. JANARTHANAM): (a) to (c) Agricultural income cannot be brought to tax by the Union Government on account of the prohibition contained in entry 82 of the "Union List" *{i.e.* List 1) of the Seventh Schedule to the Constitution of India.

However, agricultural income is aggre-gated with income other than agricultural income for determining the average rate of tax chargeable on income other than agricultural income.

Frauds in branches of Vysya Bank Limited

1431. SHRI O. P. KOHLI: Will the Minister of FINANCE be pleased to refer to answer to Unstarred Question 271 given in the Rajya Sabha on 16th July, 1996 and state:

(a) what action has been taken against the officials who passed the cheques whithout verifying specimen signature and issued (he cheque books on fake documents bearing bogus signatures;

(b) what progress has been made in the last two cases in Karol Bagh and Chandni Chowk branches; and

(c) if no action has been taken/progress made in the cases, the reasons therc-